

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:

W.R. GRACE & CO., *et al.*,

Debtors.

Chapter 11

Case No. 01-01139 (JKF)

Jointly Administered

Related Docket Nos. 19581, 19620

**DECLARATION OF BRAD ELIAS IN
SUPPORT OF ROYAL'S (i) OBJECTION TO
DEBTORS' DISCLOSURE STATEMENT
FOR JOINT PLAN OF REORGANIZATION
AND APPROVAL MOTION; AND (ii)
REQUEST FOR AN ADJOURNMENT**

I, BRAD M. ELIAS, declare as follows:

1. I am an associate with the firm of O'Melveny & Myers LLP ("OMM") and a member in good standing of the Bar of the State of New York and the United States District Court for the Southern District of New York. OMM is counsel of record for Arrowood Indemnity Company, f/k/a Royal Indemnity Company ("Royal"), in the above captioned bankruptcy case. I submit this declaration based on my review of files in the possession of my firm, and if called as a witness, I could and would testify competently thereto.

2. On information and belief, Grace has never submitted notice of the Libby Claims to Royal, nor has Grace provided Royal with copies of the Libby complaints.

3. I also submit this affirmation to put before the Court the true and correct copies of the following documents:

Exhibit	Document Description
A	Transcript of this Court's October 27, 2008 hearing on Grace's Disclosure Statement.

B	Royal's proposed Disclosure Statement amendments.
C	Grace's Answer, Cross-claims and Counter-claims, dated May 13, 1985 and filed in <i>Maryland Casualty Co. v. W.R. Grace & Co., et al.</i> , No. 83 Civ. 7451 (SWK) (S.D.N.Y.).
D	Settlement Agreement between W.R. Grace and Royal Indemnity Co., dated January 5, 1995.
E	<i>Maryland Casualty Co. v. W.R. Grace & Co., et al.</i> , No. 83 Civ. 7451 (SWK), Stipulated Order of Dismissal (S.D.N.Y. Jan. 18, 1995).
F	Letter from Wilson Elser to Hedger Moyers, dated May 5, 2006.
G	Transcript of the March 22, 2002 hearing before the Montana state court.
H	Grace's proposed order to the Montana state court, dated March 22, 2002.
I	Debtors' Motion to Expand The Preliminary Injunction to Include Actions Against Montana Vermiculite Corporation, dated January 22, 2002.
J	Debtors' Reply in Support of its Motion to Expand The Preliminary Injunction to Include Actions Against Montana Vermiculite Corporation, dated September 12, 2003.
K	Libby Claimants' Opposition to Debtors' Motion to Expand The Preliminary Injunction to Include Actions Against Montana Vermiculite Corporation, dated September 9, 2003.
L	This Court's Memorandum Opinion, dated October 7, 2004.
M	Grace's Disclosure Statement, dated November 13, 2004.
N	Grace's Amended Disclosure Statement, dated January 13, 2005.
O	Exhibit 10 to Grace's 2005 Amended Disclosure Statement.
P	Excerpts from Grace's Form 10-K filings from 1996 to 2008.
Q	Letter from Marsh USA, Inc. to Royal, dated December 9, 1999.
R	Letter from Royal to Jeffrey Posner, dated January 12, 2000.
S	<i>Maryland Casualty Co. v. W.R. Grace & Co.</i> , 83 Civ. 7451 (JSM), Final Judgment (S.D.N.Y. Mar. 4, 1998).
T	Grace's Plan of Reorganization, dated September 19, 2008.

U	Grace's Disclosure Statement, dated September 19, 2008.
V	Exhibit 5 to Grace's 2008 Disclosure Statement.

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge, information and belief.

Executed: November 10, 2008
New York, New York

/s/ Brad M. Elias

Brad M. Elias